

AMENDMENT TO OPTION AGREEMENT

THIS AMENDMENT TO THE OPTION AGREEMENT is made and entered into this 20 day of ~~September~~ ^{October}, 2000, by and between H&M PROPERTIES, L.L.C., a Tennessee limited liability company, hereinafter referred to as "Owner", and COGENTRIX ENERGY, INC., a North Carolina corporation, hereinafter referred to as "Buyer."

WITNESSETH:

WHEREAS, Owner and Buyer entered into the Option Agreement dated April 30, 1999 which granted Buyer inter alia, the exclusive right and option to purchase the Property in DeSoto County, Mississippi described therein; and

WHEREAS, the Option Agreement is recorded at Book 86, Page 72B of the land records of the Chancery clerk of DeSoto County, Mississippi; and

WHEREAS, Owner and Buyer desire to extend the term of the Option Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants and promises contained in the Option Agreement and the consideration hereinafter set forth and other good and valuable consideration paid by Buyer to the Owner, receipt and sufficiency of which are hereby acknowledged, the Option Agreement is hereby amended as follows:

SECTION 1. Term, is hereby amended by adding a subsection (d) to read as follows:

- (D) Buyer may extend the term of the Option herein granted for an additional period of time commencing on October 30, 2000 and ending on December 31, 2000 upon the same terms and conditions set forth herein. As consideration for the extension of the Option term, the Buyer shall make payment of Forty Thousand and no/100 dollars (\$40,000.00) at the time the Option term is extended by Buyer. This Forty Thousand and no/100 Dollars (\$40,000.00) shall be applied toward the purchase price at closing.

~~In order to exercise this right to extend the Option term hereof, Buyer must give~~
~~Owner written notice of its intention to extend the initial Option term with the Forty~~
~~Thousand and no/100-dollars (\$40,000.00) payment before the expiration of the~~
~~initial second extension of the Option Term.~~

Except as specifically amended hereby, all terms and conditions of the Option Agreement shall remain in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Amendment to the Option Agreement effective as of the date and year first set forth above.

STATE MS.-DE SOTO CO.
FILED

OCT 24 10 44 AM '00

P Book 87 Pg 176

Owner:

H&M PROPERTIES, ~~INC.~~^{LLC}

BY: 

MANAGING PARTNER

Buyer:

COGENTRIX ENERGY, INC.

BY: 

TITLE: VICE PRESIDENT DEVELOPMENT

JAMES L. BROWN, INC., D/B/A BROWN PROPERTIES

BY: 

PRESIDENT

ACKNOWLEDGMENTS

STATE OF Tennessee

COUNTY OF Madison

Personally appeared before me, the undersigned authority in and for said county and state, on this 13th day of October, 2000, within my jurisdiction, the within named Larry P. Becker, who acknowledged that he is the Managing Partner of H&M Properties, ~~LLC~~ ^{LLC}, a Tennessee limited liability company, as its act and deed he executed the above and foregoing instrument, after having been duly authorized by said limited liability company so to do.

(SEAL)

[Signature]
NOTARY PUBLIC



My Commission Expires:

1/22/03

STATE OF North Carolina

COUNTY OF Mecklenburg

Personally appeared before me, the undersigned authority in and for said county and state, on this the 20 day of October, 2000, within my jurisdiction, the within named Frank Gerard B. Mack ~~C. Peacock, Jr.~~, who acknowledged that he is Vice President of Cogentrix Energy, Inc. a North Carolina corporation, as its act and deed he executed the above and foregoing instrument, after first having been duly authorized by said limited corporation so to do.

(SEAL)

[Signature: Phyllis K. Green]
Notary Public



My commission expires:

May 25, 2005

INDEXING INSTRUCTIONS:

Section 15, Township 1
Range 8 West,
DeSoto County, Mississippi

PREPARED BY:

Stephen H. Leech, Jr., Esquire
Attorney At Law
850 East River Place, Suite 300
Jackson, MS 39202
Post Office Box 3623
Jackson, MS 39207
(601) 355-4013